

## STORMWATER

### SUMMARY OF PROPOSED RATE INCREASE\*

#### Rates per Impervious Unit (IU)

- 2007: 44% increase from \$11.50 to \$16.56
  - 2008: no increase
- } Projected to generate an additional \$6.3 million in revenue.
- Preliminary forecast for 2009-2010: 11% increase from \$16.56 to \$18.36 (subject to change)

#### Breakdown of Rate Revenue Projected

- \$16.56 rate projected to generate \$20.7 million in 2007-2008 and is allocated as follows:
  - Operations: \$10.4 million
  - Capital Program:
    - o Depreciation/Replacement: \$2.2 million
    - o Debt Service: \$8.1 million
  - Will consume majority of CIP revenues leaving very little available for future projects.

#### Capital Facility Charges (CFC)

- Citywide CFC
  - Applies to Citywide new and re-development that adds impervious area.
  - Increase from \$400 per IU to \$958 per IU: generates \$1.2 million for 2007-2008.
- Additional Downtown Sub-Area CFC
  - Applies to downtown new and re-development in lieu of on-site requirements.
  - Proposes \$4,292 per IU: generates \$1.6 million for 2007-2008.

#### Regional Rate/CFC Comparison

City	Monthly SFR Charge	CFC
Duvall	\$16.92	\$201.65
<b>Redmond -- Proposed</b>	<b>16.56</b>	<b>958.00</b>
Kirkland	14.15	481.00
Sammamish	12.50	570.00
North Bend	12.36	550.00
Mercer Island	12.30	7466.00
Bellevue	12.08      ↑	n/a
<b>Redmond -- Current</b>	<b>11.50</b>	<b>400.00</b>
Seattle	11.34      ↑	n/a
Issaquah	10.33      ↑	1520.00
King County	8.50	n/a
Bothell	6.28      ↑	n/a
Monroe	6.00	n/a
Renton	5.55      ↑	759.00

\*\* Additional charge to apply in downtown

↑ Rates forecasted to increase for 2007

*\*Information from FCS Rate Study presented to Council on July 25, 2006*

## STORMWATER

### DESCRIPTION OF NEW PROGRAMS

No new programs were authorized for this fund.

### DESCRIPTION OF DEBT PROPOSED

#### Moving Downtown Forward

- \$40 million Stormwater Revenue Bond in 2007.
  - Term: 20 year
  - Interest Rate: 6.25%
  - Debt Service: \$4,038,977 in 2007 and 2008
- Addresses Stormwater issues in Downtown sub-area (details included in the excerpts from the FCS rate study section).

## STORMWATER

# EXCERPTS FROM THE FCS GROUP RATE STUDY

### Background

- Stormwater must comply with local, state, and federal mandates.
- Current rate: partially regulatory compliance
  - \$11.50 rate projected to generate \$7.05 million in 2006
    - Operations: \$7.00
    - Capital Program: \$4.50 (\$1.50 restricted, \$3.35 unrestricted)

### Upcoming Needs

- Operations Summary
  1. Operations & Maintenance Program
    - Stormwater system cleaning, maintenance, inspection, repair & replacement
    - Emergency, after hours & spill response
    - Decant facility operation
    - Citizen response (100-125/year)
  2. Engineering & Administration
    - Capital project & program administration
    - Environmental compliance, inspection & enforcement
    - Community education & stewardship
    - Stormwater billing & account administration
    - Stormwater system mapping & GIS services
    - Project & program monitoring
    - Water quality monitoring
    - Illicit discharge detection & elimination
    - Public project stormwater review
    - Comprehensive, basin and master planning
    - Review & compliance with regional, state & federal mandates
  3. Development Services
    - Private project stormwater review
    - Administration of stormwater design standards & code requirements
- Capital Summary: \$197 million in known and forecasted needs
  - Forecasted: \$100 million
  - Citywide: \$57 million for 138 projects
  - Downtown Sub-area: \$40 million

### Downtown Sub-Area

- Options to Address:

Status Quo – Site by site mitigation

or

Sub-area approach



- Benefits of Sub-Area approach for Downtown
  - Less Expensive to Build
  - Less Expensive to Maintain
  - Maximization of Developable Area Downtown
  - More Effective Treatment
  - More Effective Maintenance
  - Quicker Regulatory Compliance
  - Allows Greater Redevelopment Flexibility
- Downtown Sub-Area Project List (\$37.5 million in identified projects; \$40 million debt issue proposed):
  - 85<sup>th</sup> St. WQ Facility (\$7.6 million)
    - o Provides WQ treatment for the entire watershed (including City roads).
  - Redmond Way Trunk WQ Facility (\$4.6 million)
    - o Provides WQ treatment for the Redmond Way Storm Trunk.
  - Luke McRedmond Media Filter Vault (\$1.6 million)
    - o Provides WQ treatment for the Redmond Way Storm Trunk.
  - Redmond Way Storm Trunk (\$22.5 million)
    - o Conveys all water directly to the Sammamish River, eliminating the need for onsite detention facilities downtown.
  - Leary Way SW Treatment Wetland (\$0.5 million)
    - o Retrofits and expands an existing SW facility to meet current regulations and growth.
  - Safeway/Bear Creek WQ Facility (\$0.7 million)
    - o Diverts and treats stormwater to Bear Creek, eliminating the need for stormwater detention.

## STORMWATER MANAGEMENT FUND

### REVENUE REPORT

	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
Beginning Fund Balance	1,065,714	1,065,714	0	784,700	(281,014)
Stormwater Management Fees	14,030,267	14,137,887	(107,620)	14,383,499	353,232
Engineering Fees	225,801	198,963	26,838	236,314	10,513
Revenue from Rate Increase	0	0	0	6,328,083	6,328,083
Miscellaneous Revenues	34,738	53,807	(19,069)	34,013	(725)
<b>Total Revenue</b>	<b>15,356,520</b>	<b>15,456,371</b>	<b>(99,851)</b>	<b>21,766,609</b>	<b>6,410,089</b>

# STORMWATER MANAGEMENT FUND

## EXPENDITURE REPORT

	2005-2006 Budget	2005-2006 Estimate	Difference	2007-2008 Budget	Budget to Budget Difference
<b>Salaries</b>					
Salaries	3,170,712	3,630,096	459,384	3,974,065	803,353
Overtime	36,142	35,642	(500)	34,137	(2,005)
Supplemental	104,000	105,000	1,000	110,274	6,274
Other Compensation	600	550	(50)	607	7
<b>Salaries Subtotal</b>	<b>3,311,454</b>	<b>3,771,288</b>	<b>459,834</b>	<b>4,119,083</b>	<b>807,629</b>
<b>Benefits</b>					
City Retirement	307,657	311,657	4,000	337,701	30,044
State Retirement	65,428	69,934	4,506	298,725	233,297
Medical	675,724	677,724	2,000	794,587	118,863
Workers' Compensation	74,228	51,928	(22,300)	82,006	7,778
Other Benefits	(276,248)	(268,593)	7,655	(300,114)	(23,866)
<b>Supplies Subtotal</b>	<b>846,789</b>	<b>842,650</b>	<b>(4,139)</b>	<b>1,212,905</b>	<b>366,116</b>
<b>Salaries and Benefits Subtotal</b>	<b>4,158,243</b>	<b>4,613,938</b>	<b>455,695</b>	<b>5,331,988</b>	<b>1,173,745</b>
<b>Supplies</b>					
Fuel	0	1,200	1,200	1,000	1,000
Small Tools/Equipment	62,500	198,900	136,400	75,467	12,967
Office and Other Supplies	21,500	22,700	1,200	21,700	200
Repairs/Maintenance Supplies	178,000	160,000	(18,000)	180,000	2,000
<b>Supplies Subtotal</b>	<b>262,000</b>	<b>382,800</b>	<b>120,800</b>	<b>278,167</b>	<b>16,167</b>
<b>Professional Services</b>					
Consulting Services	1,254,678	1,051,950	(202,728)	1,124,450	(130,228)
Legal Services	3,500	4,000	500	5,000	1,500
Communication	24,417	25,517	1,100	25,295	878
Travel	8,500	7,500	(1,000)	8,500	0
Utilities	92,000	78,000	(14,000)	78,000	(14,000)
Repairs & Maintenance	147,000	155,000	8,000	215,000	68,000
Other Services/Charges	243,190	219,945	(23,245)	96,000	(147,190)
<b>Prof Services Subtotal</b>	<b>1,773,285</b>	<b>1,541,912</b>	<b>(231,373)</b>	<b>1,552,245</b>	<b>(221,040)</b>
<b>Intergovernmental</b>					
Depreciation Transfer	1,133,504	1,373,334	239,830	2,199,246	1,065,742
Other Intergovernmental	3,609,315	3,590,182	(19,133)	2,752,963	(856,352)
<b>Intergovernmental Subtotal</b>	<b>4,742,819</b>	<b>4,963,516</b>	<b>220,697</b>	<b>4,952,209</b>	<b>209,390</b>
<b>Capital Equipment</b>	67,500	0	(67,500)	0	(67,500)
<b>Debt Service</b>	37,219	0	(37,219)	114,691	77,472
<b>Interfund Transfers</b>					
General Fund	1,639,809	1,639,809	0	1,773,874	134,065
Information Technology	720,612	720,612	0	671,388	(49,224)
Insurance	104,587	104,587	0	97,538	(7,049)
Fleet	444,564	444,564	0	575,834	131,270
Other	10,816	174,111	163,295	459,306	448,490
<b>I/F Transfers Subtotal</b>	<b>2,920,388</b>	<b>3,083,683</b>	<b>163,295</b>	<b>3,577,940</b>	<b>657,552</b>
<b>Ending Fund Balance</b>					
Ending Balance	1,309,244	0	(1,309,244)	5,866,697	4,557,453
Salary and Benefit Contingency	85,822	85,822	0	92,672	6,850
<b>Total Ending Fund Balance</b>	<b>1,395,066</b>	<b>85,822</b>	<b>(1,309,244)</b>	<b>5,959,369</b>	<b>4,564,303</b>
<b>Total Expenditures</b>	<b>15,356,520</b>	<b>14,671,671</b>	<b>(684,849)</b>	<b>21,766,609</b>	<b>6,410,089</b>